## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: YOUNG OIL CORP., ITS OFFICERS )
AND DIRECTORS, AGENTS, EMPLOYEES, AFFILIATES, )
SUCCESSORS AND ASSIGNS AND ANTHONY YOUNG, )
INDIVIDUALLY

FILE NO. 1000348

## TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS:

Young Oil Corp. 154 A.Young RD. Knob Lick, KY. 42154

Anthony Young 154 A. Young RD. Knob Lick, KY, 42154

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:-

- That Respondent Young Oil Corp. a Kentucky corporation ("Young Oil") maintained a business address at 154 A.Young RD., Knob Lick, KY. 42154.
- That Respondent Anthony Young, an individual, ("Young"), collectively with Young ("Respondents") maintained business address at 154 A. Young RD., Knob Lick, KY. 42154.
- 3. That early in the year 2006, an Illinois resident (investor) contacted Young, known to be familiar with the industry, and requested Young to check out and report back to Investor the status of certain oil and gas investments Investor had in Kentucky.

- 4. That Young advised the investor that those oil and gas investments were not worthwhile.
- 5. That on or about April 2, 2006, or thereabouts, Respondents called Investor and pursued the relationship with him for the purpose of selling Investor their own "Turnkey Participation & Production interest known as the "Participant Drilling Share" in Project 46 at the price of \$30,000 (the "Offering").
- 6. Subsequent to the foregoing solicitation, the Investor purchased the Offering.
- 7. That the activities described in paragraphs 5 through 6 above constitute the offer of a certificate of participation in a profit-sharing agreement or an investment contract and therefore a security as those terms are defined in Sections 2.1 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 8. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 9. That Respondents failed to file with the Secretary of State an application for registration of the investment opportunity described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
- That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 11. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 12. That by virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act, and Respondents will violate Section 12.A of the Act again if they make further offers, or if they make any sales, of the investment opportunity described above in the State of Illinois.
- 13. That the aforementioned findings are based upon credible evidence.
- 14. That Section 11.F(2) of the Act provides, inter alia, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it

necessary to prevent an imminent violation of the Act or to prevent losses to Investors that will occur as a result of prior violations of the Act.

15. That the entry of this Temporary Order prohibiting Respondents, or their agents, affiliates, and employees, from offering or selling the abovereferenced securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents Anthony Young Oil Corp. and Anthony Young are Temporarily Prohibited from offering or selling securities in or from this State until further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washingto Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

ENTERED: This 13th day of September, 2010.

Vese White/s JESSE WHITE Secretary of State State of Illinois

Attorney for the Secretary of State:

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